

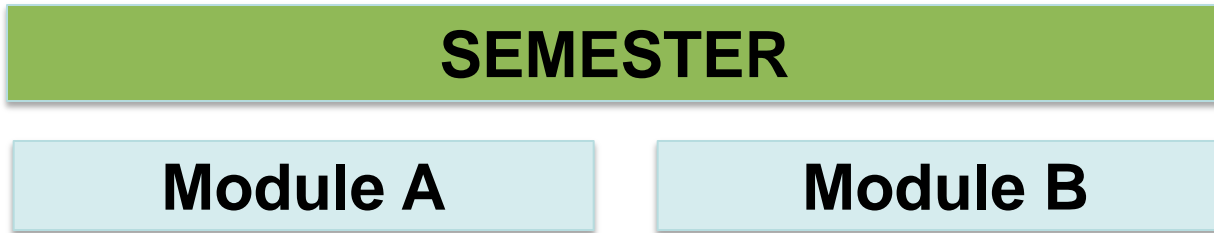
How Modules Can Affect Title IV

Kevin Campbell and Greg Martin | July 2016
U.S. Department of Education
2016 National Association of Student Financial
Aid Administrators Conference

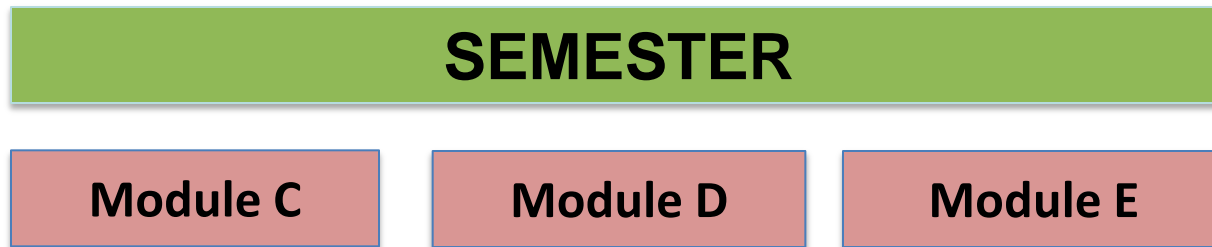
What do Modules Look Like?

SEMESTER

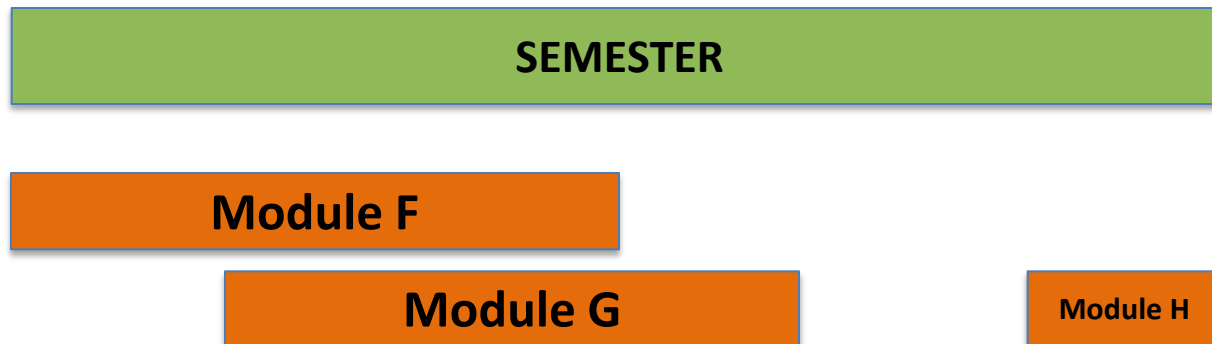
What do Modules Look Like?



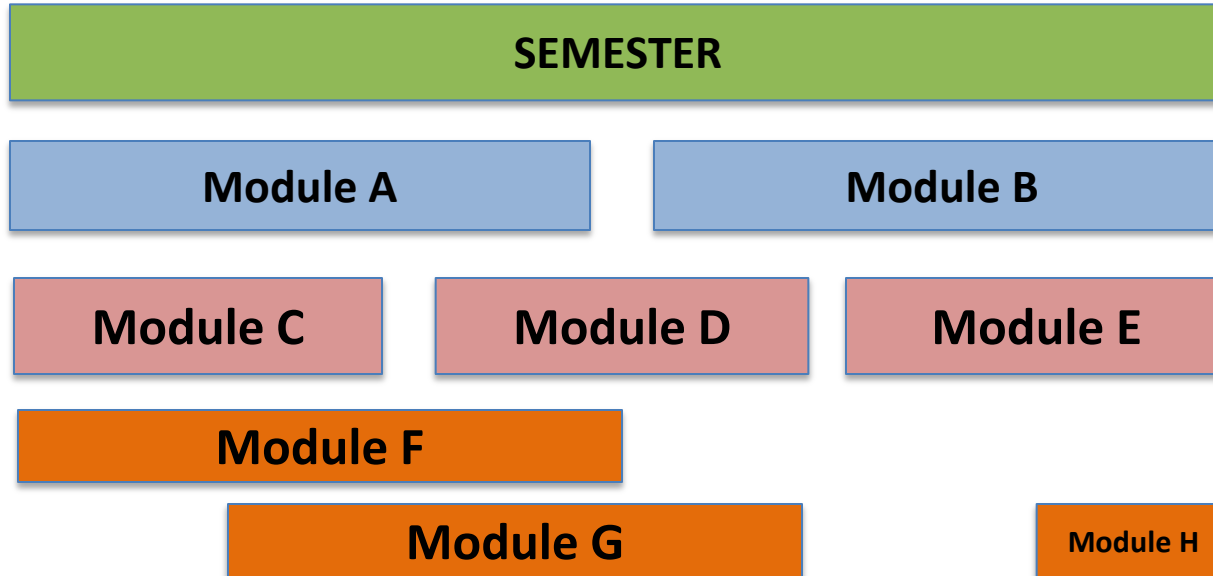
What do Modules Look Like?

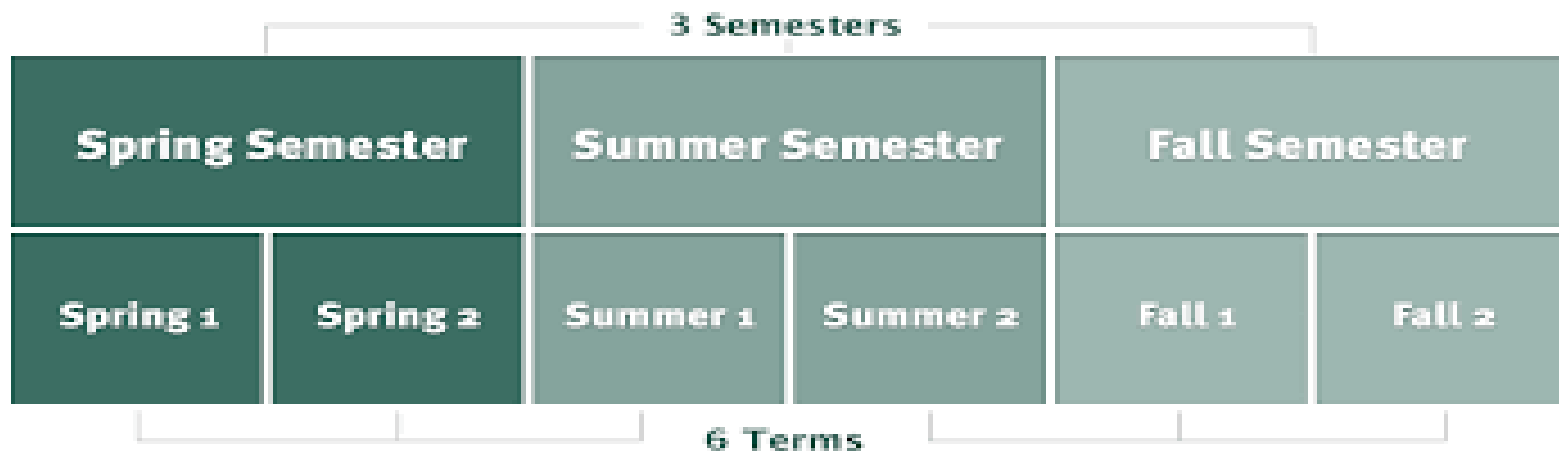


What do Modules Look Like?



What do Modules Look Like?





Modules and Standard Term Calendars

Standard Term Example 1

- Standard term, semester-based program
- Academic year is 32 weeks, consisting of two 16 week semesters
- Semester contains two 8 week modules
- Classes may last the entire term or occur within modules
- Students may enroll in any combination of classes
- Full-time enrollment is 12 semester hours

Fall 16 wks	
8-wk module	8-wk module

Spring 16 wks	
8-wk module	8-wk module

What Do We Have to Think About In Our Example?



Disbursement Considerations

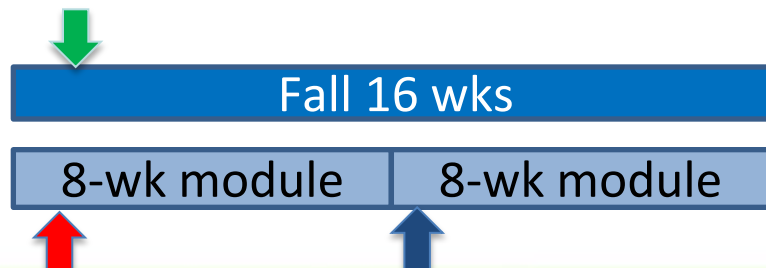
- Payment period is the entire standard term (semester)
 - Regardless of student's enrollment in classes over the entire semester, modules, or both
- Payment of Title IV (except FWS) is calculated on a payment period basis, not by individual module
 - However, it is allowable to break up the payment for the payment period into multiple disbursements
- Earliest disbursement date is 10 days before the first day of classes for a payment period

Pell Grant Considerations

- Pell Grant recalculation policy may affect enrollment flexibilities
 - Acme School of Culinary Arts uses Example 1 calendar and has a Pell Grant recalculation date of September 21, which falls before the start of Module 2
 - As of the Pell Grant recalculation date, Janet is enrolled for 9 credits
 - On September 23, 2 days after the Pell Grant recalculation date, Janet adds 3 credits from Module 2; Pell Grant enrollment status must not be changed to add the additional credits due to school's policy

Example 1 Pell Grant Considerations

- Pell Grant recalculation policy may affect enrollment flexibilities
 - Borax School of Mining uses Example 1 calendar and uses multiple Pell Grant recalculation dates and must recalculate Pell Grants up to the Pell Grant recalculation date for the last class in which the student enrolls
 - September 7 for Module 1 (Red arrow)
 - September 21 for the full semester (Green arrow)
 - November 1 for Module 2 (Blue arrow)
 - As of September 21 Pell Grant recalculation date, student enrolled for, and began 12 credits from full semester
 - On October 3, he drops 6 credits
 - On October 20, he adds 3 credits from Module 2
 - As of the November 1 Pell Grant recalculation date for Module 2, he is enrolled for 9 credits; final Pell Grant enrollment status is $\frac{3}{4}$ time



Example 1 Pell Grant Considerations

- Student must begin every class used to determine enrollment status
 - Cindy at Acme (using Example 1 calendar and has a single Pell Grant recalculation date) enrolls for 6 credits in Module 1 and 6 credits in Module 2
 - As of the September 21 Pell Grant recalculation date, she is still enrolled for all 12 credits (enrollment status = full time) with a disbursement made based on that enrollment status
 - However, on September 25, she drops the 6 credits in Module 2
 - Although the Pell Grant recalculation date is past, her enrollment status must be adjusted to ½ time and her award recalculated because she never attended any class(es) in Module 2
 - This is a mandatory Pell Grant Recalculation

DL Considerations

- Loan period
 - Shortest period for which a loan may be originated is the term, not a module
 - Student enrolls for Spring semester only, taking 6 credits all from Module 1; loan period is the entire semester, not Module 1
 - Loan eligibility for a term-only loan is
 - COA – EFC (if subsidized) – EFA
 - up to the applicable annual loan limit, not one half or some other portion of the annual loan limit

DL Considerations

- Enrollment status
 - Census date (PRD) is not applicable to Direct Loan, only Pell/TEACH Grant/Iraq-Afghanistan Service Grant
 - Recalculations not required
 - Enrollment status is checked at the time of disbursement
 - Student enrolls for 6 credits (3 in Module 1 and 3 in Module 2); student begins attendance in Module 1; loan is disbursed (enrollment status ½ time); student never begins attendance in Module 2
 - Loan disbursement is okay; no adjustment or recovery of funds
 - Possible R2T4 issues associated with student not taking all modules she was scheduled to take

COA and EFC Considerations

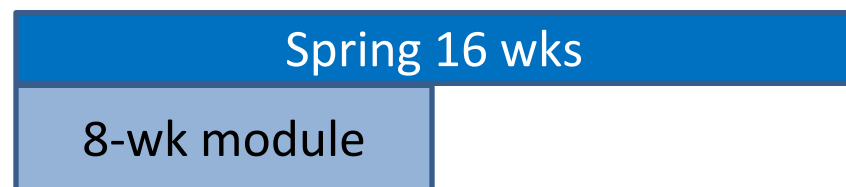
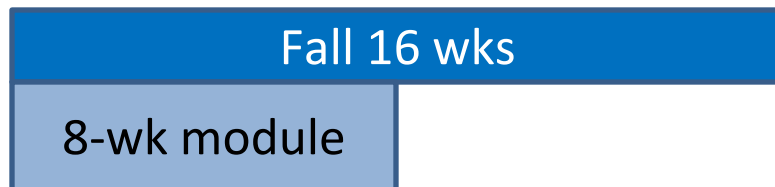
- Standard term, semester-based program
 - Academic year is 32 weeks, consisting of two 16 week semesters
- Semester contains two 8 week modules
- Classes may last the entire term or occur within modules
 - Students may enroll in any combination of classes
- Full-time enrollment is 12 semester hours

Fall 16 wks	
8-wk module	8-wk module

Spring 16 wks	
8-wk module	8-wk module

Example 1 COA and EFC - Adrianna

- Adrianna is going to attend Fall and Spring Semesters
- BUT, she is only attending classes in Module 1 of Fall and Module 1 of Spring
 - What is Adrianna's loan period?
 - What is her COA and EFC?



COA and EFC - Marty

- Marty is going to attend Fall and Spring Semesters
- He is attending classes in Modules 1 and 2 of Fall and Modules 1 and 2 of Spring
 - What is Marty's loan period?
 - What is his COA and EFC?

Fall 16 wks	
8-wk module	8-wk module

Spring 16 wks	
8-wk module	8-wk module

COA and EFC - Marty

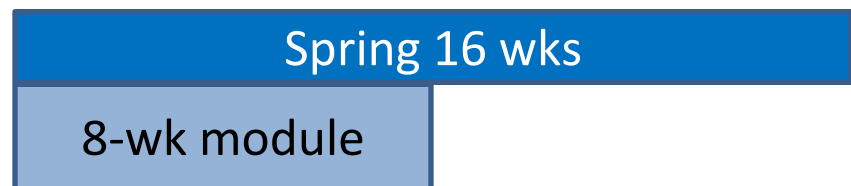
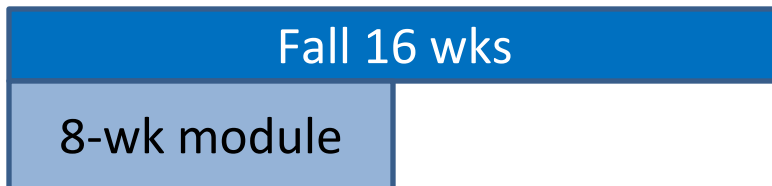
- Marty decides to drop classes in Fall Module 2 and Spring Module 2
- His enrollment pattern ends up looking like Adrianna's
 - What is Marty's loan period?
 - What is his COA and EFC?

Fall 16 wks	
8-wk module	8-wk module

Spring 16 wks	
8-wk module	8-wk module

Example 1 COA and EFC - Marty

- Marty decides to drop classes in Fall Module 2 and Spring Module 2
- His enrollment pattern ends up looking like Adrianna's
 - What is Marty's loan period?
 - What is his COA and EFC?



Standard Term - Quarters

- Standard term, quarter-based program
 - Academic year is 36 weeks, consisting of three 12 week quarters
- Quarter contains three 4 week modules and two 6 week modules
- Classes may last the entire term or occur within modules
 - Students may enroll in any combination of classes
- Full-time enrollment is 12 quarter hours per term



Standard Term - Quarters

- All considerations from Example 1 apply
- Increased enrollment possibilities
 - In addition to classes lasting the entire term, students have 2 module configuration options (4 and 6 week modules)
 - Allows for multiple starts within a standard term setting
 - Modules overlap, but that is not an issue since all modules begin and end within the term
 - Terms do not overlap

Standard Term – Quarters

- Potentially complex R2T4 scenarios involving modules
- Increased enrollment status monitoring responsibilities for Pell Grants
 - Recalculation policy may be complicated
 - Depends upon whether a single or multiple PRDs are used
 - Increased monitoring requirement in ensuring student began all classes in all modules on which Pell Grant enrollment status was based



What Do We Do With Summer?

Summer Terms

- Most Summer terms contain multiple or mini-sessions (e.g., Summer 1, Summer 2, and Summer 3)
 - These are considered modules
- School has options
 - Combine mini-sessions into a single term
 - Numerous advantages
 - Treat as stand-alone terms
 - Could result in entire program being a nonstandard term program
- Awards of Title IV aid must be made for Summer
 - Option to not pay Title IV aid for enrollment in Summer, intersessions, J terms, Maymester, etc., does not exist

Summer Terms: Pell Grant

- If term-based program offers a series of mini-sessions that occur in the Summer, they may be combined and treated as if it was one term and that term will be the payment period which will have modules
- If program qualifies for Formula 1 or 3, use the same formula to calculate Pell Grant for Summer
 - If program does not define full-time for Summer as 12 credit-hours, Formula 3 must be used for all calculations in the award year
 - Full-time definition for Summer must be applied across all programs
- When mini-sessions are combined into a single term:
 - Weeks of instructional time in the combined term are weeks from beginning of the first mini-session to date the last mini-session ends
 - Student's enrollment status for the payment period is based on the total number of credits for all sessions

Summer Terms: Pell Grant

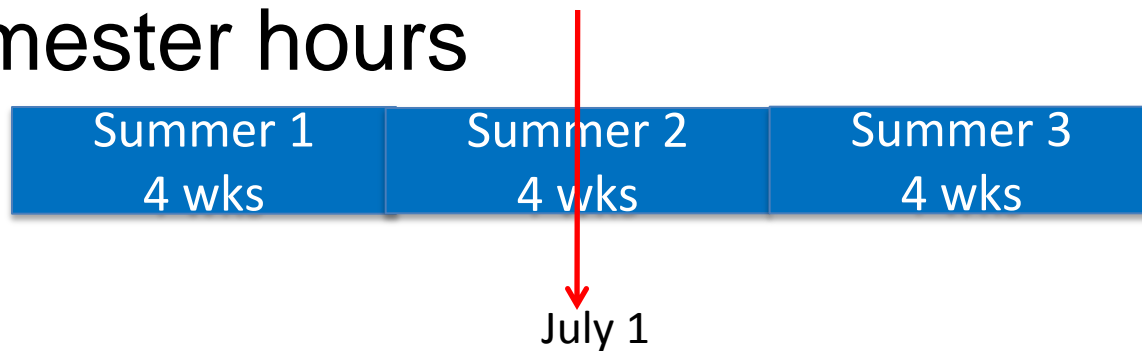
- If a combined mini-session term crosses over the award year, the combined term is treated as a crossover payment period, regardless of what classes the student attends
- If mini-sessions are *not* combined into a single term:
 - Each mini-session is generally treated as a separate nonstandard term
 - Pell Grant Formula 3 must be used
 - Exception: If full-time for each mini-session is defined as 12 credit-hours, Formula 1 may be used

Summer Terms: Direct Loan

- SAY and mini-sessions
 - May be grouped together into either a header or trailer to the SAY
 - May be treated separately and assigned to different SAYs
- BBAY and mini-sessions
 - Must be grouped together as a single term in order to use BBAY
 - BBAY containing Summer term (regardless of whether comprised of mini-sessions) does not have to be 30 weeks in length
- Loan period
 - Shortest period of time a loan may be originated for is the term
 - Even if the student is attending fewer mini-sessions than comprise the term
- COA for Summer cannot include costs for mini-sessions the student is not expected to be enrolled

Summer Example 1

- Summer mini-sessions 1, 2, and 3 combined to make 1 Summer payment period (term)
- Full-time enrollment is defined as 12 semester hours



Summer Example 1 - Thomas

- Thomas is taking 6 credits all in Summer 1, awarded a Summer only loan and a Federal Pell Grant as a header to the upcoming award year
 - Enrollment status is $\frac{1}{2}$ time
 - Loan period comprises the entire Summer term or payment period
 - If school is required to make multiple disbursements, second disbursement will not be made until the calendar midpoint: after the student has completed classes
 - Summer 1 does not have to crossover for student to receive a Pell Grant disbursement from the upcoming award year because the combined Summer term is a crossover payment period

Summer Example 1 - Sally

- Sally is taking 9 credits: 3 credits in Summer 1, 3 credits in Summer 2, and 3 credits in Summer 3
- Enrollment status is $\frac{3}{4}$ time
- Loan period comprises Fall/Spring/Summer
- School's policy for crossover payment periods is that it determines Pell Grant eligibility for a crossover payment period on a student by student basis and pays from the award year most advantageous to the student

Summer Example 1- Sally

- Student was full time in the previous Fall and Spring payment periods and received 100% of her Pell Grant
- Student is paid a $\frac{3}{4}$ time Pell Grant for Summer from the next award year and the disbursement is made at the start of Summer 1
- Student is disbursed DL Funds for Summer payment period (the Loan Period is Fall/Spring/Summer)
- Student completes Summer 1 and Summer 2 but does not return for Summer 3

Summer Example 1- Sally

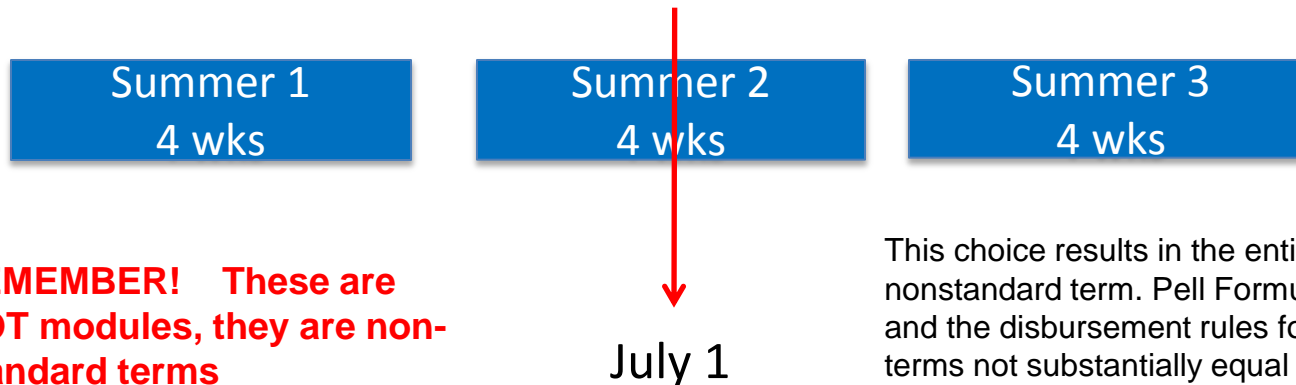
- Student received a $\frac{3}{4}$ time Pell Grant for Summer and a DL disbursement for Summer
- Student was expected to have three hours in each Summer modules but the student actually completes Summer 1 and 2 but does not return for Summer 3
 - Pell Grant is subject to a mandatory Pell Grant Recalculation
 - Does not matter what School Pell Grant Recalculation Policy says
 - No adjustment to Direct Loan disbursement
 - Student was $\frac{1}{2}$ time or more at the time of DL disbursement
 - Possible R2T4 implications
 - Student MAY be beyond the 60% point of the payment period or may have dropped Summer 3 classes before the end of Summer 2 or may be a withdrawal

Summer With No Modules

- School does not wish to define full-time as 12 credit hours
- Each summer session becomes nonstandard term

$$\text{Enrollment status} = \frac{\text{Credit hours in Academic Year}}{\text{Weeks in nonstandard term}} \times \frac{\text{Weeks in nonstandard term}}{\text{Weeks in academic year}}$$

- Only Summer 2 is a crossover payment period



REMEMBER! These are NOT modules, they are non-standard terms

This choice results in the entire Program being nonstandard term. Pell Formula 3 must be used and the disbursement rules for nonstandard terms not substantially equal in length followed.

Summer Enrollment Awareness

- Student may enroll in multiple Summer mini-sessions complete one or more but not all of them
 - e.g., Student enrolls in Summer 1, 2, and 3, completes Summer 1 and 2, but does not return for Summer 3
 - Typically, students do not see this as a withdrawal; *however*, under current regulations, R2T4 may apply
- Important that students enrolling in multiple Summer mini-sessions are instructed to withdraw from or drop a subsequent mini-session prior to completing the previous one if they do not intend to return
 - This will prevent the student from being subject to R2T4

Intersessions

'TIS THE SEASON
FOR SOMETHING NEW!

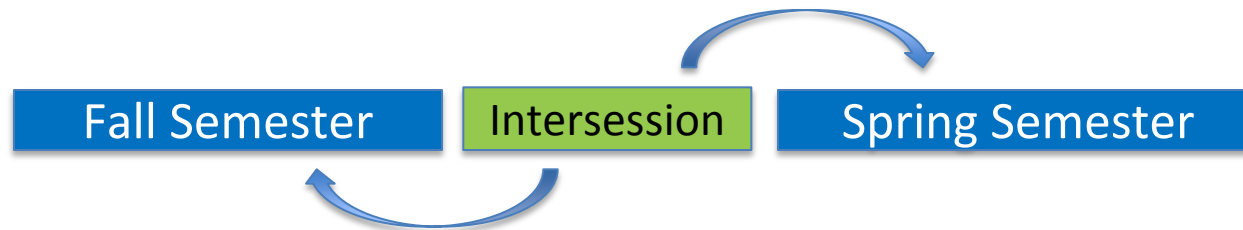
ENROLL NOW FOR BC ONLINE'S FIRST

FALL TERM III
(INTERSESSION) **DEC 14-**
JAN 10

SELECT COURSES AVAILABLE IN A **FOUR-WEEK TERM**, AT A **DISCOUNTED**
RATE OF \$200 PER CREDIT HOUR! READ BELOW FOR MORE INFORMATION.

Standard Terms: Interessions

- How to deal with interessions or other additional terms and keep your program standard?
 - J-terms
 - Maymester
 - Mini-session
- Add the interession to one standard term or the other
 - Treat the entire combined term as one payment period



Standard Terms: Interessions

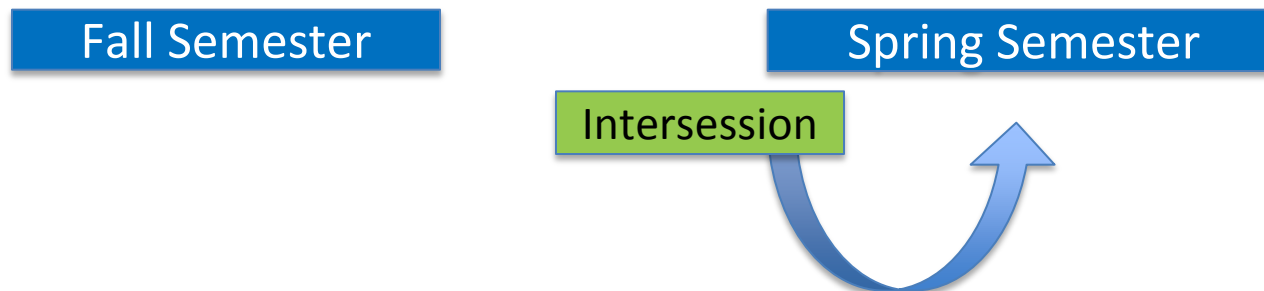
- Doesn't adding the interession make a nonstandard term?
- FSA's guidance states that for a program already using established standard terms, adding a term that is immediately prior to, or after, the standard term, and does not overlap with another term, keeps the standard terms as standard



- Does create a term with modules
 - Interession is a module
 - Standard term is a module

Standard Terms: Interessions

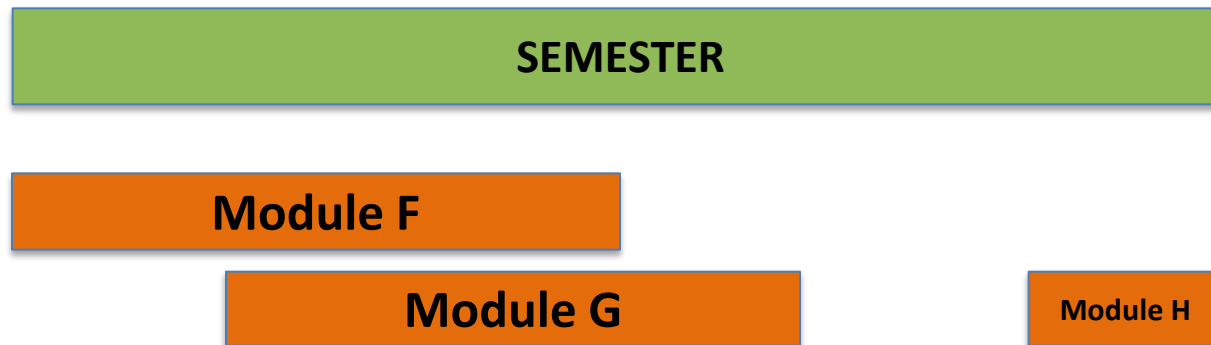
- Sometimes the interession will overlap with the term to which it is attached



- That's Okay
- Modules may overlap

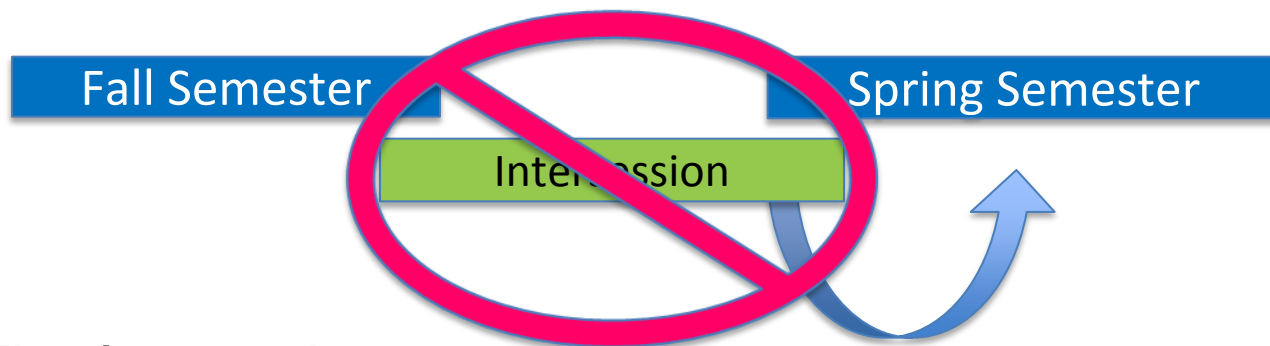
What do Modules Look Like?

Remember this...



Standard Terms: Interessions

- Sometimes the interession will overlap with the term to which it is attached and the other term



- That's not okay
- These are now overlapping terms and overlapping terms create a non-term calendar

Standard Terms: Interessions

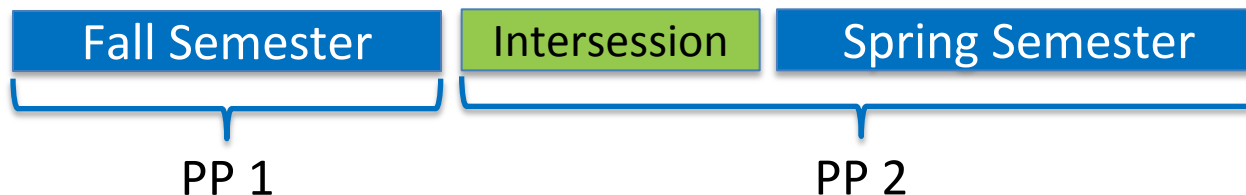
- Jean Franklin University has two 15-week semesters with a 4-week interession between them
- JFU attaches the interession to Spring semester
 - If JFU does not attach the interession it would create a nonstandard term



JFU Calendar

Payment Periods: Pell Grant

- Fall semester is Payment Period (PP) 1
- The combined intersession and Spring semester is PP 2
- School may still use Pell Formula 1
 - Terms are still considered standard
 - Must use 12 hours (or more) as full-time
 - The Pell Grant disbursements for each payment period will be equal
- Hours in intersession count toward Spring enrollment status
- COA is for full year, full-time costs regardless of whether or not student has hours in intersession



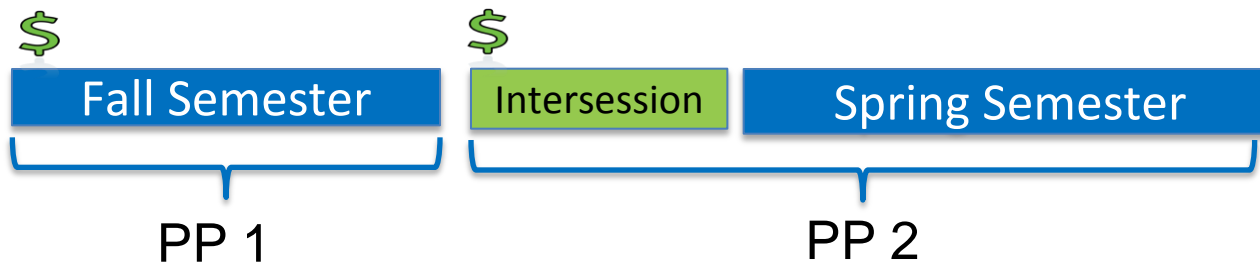
Payment Periods: DL

- Fall semester is Payment Period (PP) 1
- The combined intersession and Spring semester is PP 2
 - PP 2 now has two modules, the intersession and the 15-week semester
- School may use SAY or BBAY1
- Hours in intersession count toward Spring enrollment status
- COA reflects costs associated with all terms that the school knows the student will pursue at the time of origination



Payment Periods: DL

- Jose takes 9 hours in the Fall, 3 hours in the intersession and 3 hours in the Spring
- Jose's COA includes costs for all 3 periods
- Jose is at least half time in PP 1 and receives his disbursement for PP 1 at or about the beginning of PP 1, assuming Jose is not subject to delayed disbursement
- Jose is at least half time in PP 2 and receives his second disbursement at or about the beginning of PP 2, which is the beginning of the intersession



Consortium Agreements



Consortium Agreements – Academic Calendar

- Institution that awards Title IV should award based on its own calendar
- Earliest disbursement date is 10 days before earlier of the start date at either the home or host school
 - COD limitations may apply
- Program's academic year is not affected if coursework taken at a host school overlaps or does not take place in the same timeframe as the home school's normal terms
 - If the home school is awarding aid, it must include credits taken at the host school in the student's enrollment status for a term that occurs at a time reasonably similar to the timeframe for the host school's coursework

Consortium Agreements – SAP

- SAP must be evaluated by the home school using its own standards
 - A different timeframe may be established if a student is in a consortium agreement; the institution must publish clear information about the intervals for students in a consortium
 - If a student is still engaged in coursework at the host school when the home school evaluates SAP, the coursework must be treated according to the institution's policies for incomplete coursework under an SAP evaluation

Consortium Agreements – R2T4

- R2T4 calculation must be completed by the institution that awards and disburses the student's Title IV aid
- Denominator includes all the days the student is scheduled to attend at both the home and host school
- Numerator includes all the days attended at either institution
- Institutional charges are those assessed the student by either institution
- Requirements for programs offered in modules apply
 - Any coursework taken at either the home or host school that does span the length of the payment period is considered a module

Written Arrangements – Study Abroad

- Written arrangements between eligible U.S. institutions and foreign institutions are not consortium agreements because the foreign institution is considered to be an ineligible entity
 - Such written arrangements are contractual agreements
 - Home school is always the eligible U.S. institution
- Study abroad programs provided by the home school via an overseas location are not considered to be written arrangements
 - For such programs, rules apply as they would to any normal program, including the implications of overlapping terms

Explanatory Guidance



Explanatory Guidance – Two Week Tolerance

- Two week tolerance for standard terms
- Normally, classes offered in a standard term calendar are expected to take place within the confines of a standard term
- Those classes may be a module or not
- If the class or classes, within an academic program, exceed the confines of the standard term by more than two weeks, it renders the term non-standard and the program will be non-standard
- If the class or classes, within an academic program, exceed the confines of the standard term by two weeks or less, the term remains standard

Explanatory Guidance –Two Week Tolerance

- It is a TOTAL of two weeks
 - Not two weeks per class
- If History 201 extends the semester by 1 week at the end and Geology 201 starts 10 days before the semester AND these are part of the same academic program, the two week tolerance has been exceeded since we are looking at 17days
- The two weeks must be contiguous to the term
 - No unreasonable breaks between the class extensions and the term itself

Explanatory Guidance – Two Week Tolerance

- The two weeks must not overlap another term

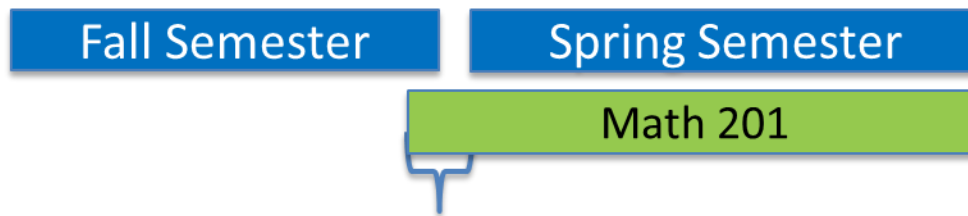


Two week extension of History 201

- History 201, a Spring Semester class is not exceeding the two week tolerance and it is not overlapping another term

Explanatory Guidance – Two Week Tolerance

- The two weeks must not overlap another term



Two week extension of Math 201

- Math 201, a Spring Semester class is not exceeding the two week tolerance but it is overlapping another term
- Overlapping terms = a non-term calendar/program

Explanatory Guidance – Clinical Work and Standard Terms

- Some programs follow a strictly standard term calendar until the student progresses to a part of the program that involves work outside of the classroom but still part of their academic program
 - ED refers to this as clinical work but may be called something different at your school
- Guidance is applicable to medical related fields and in programs preparing educators
 - ED is unaware of programs outside of these areas that would meet the three requirements on the next slide
- This clinical work may not coincide with the institution's standard terms
 - Usually due to the clinical work having a different calendar

Explanatory Guidance – Clinical Work and Standard Term

- Institutions may allow, for Title IV purposes, the clinical work to be treated as if it were being offered on the schools standard term calendar, if ALL of the following apply:
 - All students in the program must participate in the practicum or clinical experience and its completion is a requirement for graduates to apply for licensure or the authorization to practice the occupation those students intend to pursue
 - The institution has little or no control over the length or start/end dates of the practicum or clinical experience. This may be the result of constraints imposed by outside licensing bodies, or the need to accommodate the schedules of entities with which students are being placed (e.g., school districts and hospitals)
 - Credit hours associated with the practicum or clinical experience must be associated with the term in which most of the training occurs, even if the starting and ending dates do not exactly align with the term dates and/or overlap with another term exists

Explanatory Guidance – Clinical Work and Standard Terms

- If the clinical work meets all of the requirements on the previous slide
 - The clinical work will not create nonstandard terms
 - The clinical work will not create a nonterm calendar even if the clinical work is overlapping another term

Explanatory Guidance – Clinical Work and Standard Term

- Some rules to remember for clinical work in this category
 - Policies and Procedures must explain how this aspect of Title IV administration is being handled by the school
 - The academic year and loan period for Direct Loans should be determined using the actual training dates and the loan should reflect the cost of attendance and estimated family contribution for the actual training period
 - Return of Title IV funds (R2T4) calculations are based on a payment period or period of enrollment that reflects the actual training dates

Reporting



Reporting for Clinical Periods

- For coursework that falls within the 2-week tolerance on either side of a term (not to exceed 2 weeks in total) continue to report to COD the published begin and end dates of the term or academic year as the loan period begin and end dates
- For allowed clinical periods that extend more than 2-weeks beyond the term, the loan period begin and end dates reported to COD must reflect the actual begin and end dates of the clinical period
- Modified term begin and end dates reflective of the clinical period *may* but are not required to be reported to NSLDS since no edits are keyed to this field

Reporting for Consortium Agreements

- Institution that awards Title IV aid is responsible for reporting to COD
 - Academic year, loan period, and disbursement dates reported to COD should be those of the school which is awarding the aid
- Enrollment must always be reported to NSLDS by the home institution
 - Home institution is responsible for prompt and accurate reporting to NSLDS of a student's withdrawal or graduation dates, changes in enrollment status
 - Must be accomplished under the Department's normal requirements for such reporting

QUESTIONS?



Contact Info

Kevin Campbell
Training Officer
Region VI
214-661-9448
kevin.campbell@ed.gov

Greg Martin
Policy Analyst
Office of Postsecondary Education
202-453-7535
gregory.martin@ed.gov